

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

75 Hawthorne Street San Francisco, CA 94105

GENERAL NOTICE LETTER URGENT LEGAL MATTER PROMPT REPLY NECESSARY VIA FEDERAL EXPRESS

December 18, 2013

James Stull, President Continental Heat Treating, Inc. 10643 Norwalk Boulevard Santa Fe Springs, California 90670

RE: General Notice Letter and Request for Information for the Omega Chemical
Corporation Superfund Site in Los Angeles County, CA, and property located at
10643 Norwalk Boulevard, Santa Fe Springs, CA

Dear Mr. Stull:

The purpose of this letter is to inform you that the U.S. Environmental Protection Agency (EPA) has determined that Continental Heat Treating, Inc. may be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601, *et seq.*, commonly known as the federal "Superfund" law, for cleanup of the Omega Chemical Corporation Superfund Site (Omega Site, or Site), in Los Angeles County, California and costs EPA has incurred or will incur in cleaning up the Omega Site.

The Omega Site includes the former location of the Omega Chemical Corporation, a used solvent and refrigerant recycling, reformulation, and treatment facility located at 12504 and 12512 East Whittier Boulevard in Whittier, California. The term "Site", as used in this letter, refers to the former Omega Chemical property in Whittier, as well as the extent (i.e., plume) of contaminated groundwater emanating from the Omega Chemical property, much of which has commingled with chemicals released at other locations into a continuous plume approximately four and one-half miles long, and one and one-half miles wide.

Explanation of Potential Liability

Under CERCLA, specifically Sections 106(a) and 107(a), 42 U.S.C. §§ 9606(a), 9607(a), potentially responsible parties (PRPs) may be required to perform cleanup actions to protect the public health, welfare, or the environment. PRPs also may be responsible for costs incurred by EPA in cleaning up the Omega Site, unless the PRP can show any of the statutory defenses. PRPs include current and former owners and operators of a site, as well as persons who arranged for treatment and/or disposal of any hazardous substances found at the site (also referred to as "generators"), and persons who accepted hazardous substances for transport and selected the site to which the hazardous substances were delivered. Based on the information collected by EPA to date, EPA believes that Continental Heat Treating, Inc. may be liable under Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), with respect to the Omega Site, as a current or previous owner and/or operator of the property located at 10643 Norwalk Boulevard, Santa Fe Springs, California (Property).

In order to facilitate cleanup of hazardous substances at the Omega Site, EPA divided the Omega Site into three operable units (OUs): OU1, OU2 and OU3. OU1 includes the former Omega Chemical facility and immediate vicinity. OU2 is the extent of contamination in groundwater generally downgradient and originating from the former Omega facility, which extends approximately four and one-half miles downgradient. The OU2 contamination has commingled with chemicals released at other areas overlaying the OU2 groundwater plume. OU3 refers to vapor intrusion from subsurface contamination that has occurred in several buildings on and near the Omega Chemical property. EPA has reason to believe that contamination from the Property has contributed to contamination in the OU2 groundwater plume.

EPA has selected a cleanup approach (formally known as a remedial action) for OU2, described in a document called a Record of Decision (ROD), which EPA issued on September 20, 2011. The OU2 ROD is enclosed with this letter.

To date, EPA has taken several response actions at the Site under the authority of the Superfund Program, many of which are described below.

- During an assessment of the former Omega facility in 1995, EPA observed approximately 3,000 drums on the Omega property in various stages of deterioration. Hazardous substances were detected in subsurface soils and groundwater, including, but not limited to, tetrachloroethylene (PCE), trichloroethylene (TCE), methylene chloride, and Freons 11 and 113.
- On May 3, 1995, EPA issued an Action Memorandum authorizing actions necessary to abate an imminent and substantial endangerment at the Site, including securing the Omega Chemical property; conducting sampling; removing grossly contaminated equipment, structures, and debris; removing containerized wastes; and disposing, stabilizing and treating grossly contaminated soils.

- On May 9, 1995 and August 31, 1995, EPA issued unilateral administrative orders (UAOs) to approximately 170 "major" generator PRPs i.e., parties that sent more than 10 tons of hazardous materials to the Omega facility -- to perform removal activities at the Omega Site. These major contributing parties thereafter formed a workgroup called the Omega Chemical Site PRP Organized Group (OPOG), and completed the required activities.
- In September 1998, EPA proposed the Site for listing on the National Priorities List (NPL), EPA's list of the most serious uncontrolled or abandoned hazardous waste sites. The Site was placed on the NPL on January 19, 1999.
- Members of OPOG agreed to perform work under a consent decree entered by the United States District Court, Central District of California, on February 28, 2001, and amended thereafter (2001 CD). Under the 2001 CD, the settling defendants agreed to pay a portion (\$282,636) of EPA's past costs and to perform work at the Omega Site, including groundwater extraction and treatment near the former Omega facility to contain contaminated groundwater, and a remedial investigation/feasibility study (RI/FS) addressing soils in the OU1 area. Under the 2001 CD, some defendants made payments in lieu of their direct participation in the required work.
- In August 2002, EPA issued General Notice Letters to approximately 100 additional major generator PRPs. EPA encouraged these PRPs to initiate a dialogue with OPOG concerning joining the established workgroup. The 2001 CD was amended to include parties that joined the workgroup after 2001.
- Prior to signing the 2001 CD, several PRPs withdrew from the group and elected not to sign the settlement. They formed a group that became known as the Omega Small Volume Organized Group, or OSVOG. On January 5, 2004, EPA issued a UAO to fifteen OSVOG members and three other recalcitrant parties. An amended UAO was issued on July 2, 2004. Work performed under the amended UAO included the installation of groundwater wells and sampling downgradient from the Omega Chemical property.
- On October 28, 2003, EPA sent liability notice letters to approximately 300 *de minimis* parties that sent between 3 and 10 tons of hazardous substances to the former Omega facility. In 2005, EPA settled with 171 such parties in an Administrative Order on Consent (AOC), finalized on December 12, 2005, pursuant to which EPA was compensated approximately ten million dollars.
- In April 2006, EPA required OPOG to address contaminated indoor air in a roller skating rink (Skateland), located adjacent to the Omega Chemical property. This removal action was memorialized in an amendment to the 2001 CD. OPOG subsequently funded the purchase of Skateland and demolished it in April 2007.

- In November 2006, EPA settled with 12 parties deemed to have limited ability to pay for response costs incurred and to be incurred at the Omega Site. EPA received approximately \$100,000 pursuant to that settlement.
- In November 2007, with EPA oversight, OPOG completed an RI for OU1 soils, and an FS in May 2008. In June 2008, EPA released for public comment a Proposed Plan for soil cleanup at OU1, and selected a remedial action for OU1 in an OU1 ROD on September 30, 2008. That remedy consists of a soil vapor extraction system and institutional controls.
- In June 2009, EPA sent Special Notice Letters to PRPs soliciting an offer to perform the OU1 Remedial Design/Remedial Action (RD/RA) identified in the OU1 ROD, as well as payment of EPA's unreimbursed response costs. In a CD entered by the U.S. District Court in October 2010, OPOG members agreed to design, construct and operate the OU1 soil remedy. Under the settlement, EPA was reimbursed a portion (\$1,500,000) of its past response costs and EPA's costs associated with overseeing that cleanup.
- From March 2007 to October 2009, EPA sent General Notice Letters to additional PRPs associated with nine locations overlying the OU2 plume, which contributed to OU2 contamination.
- In November 2009, EPA signed an AOC with OPOG to address the indoor air contamination in buildings in the vicinity of the former Omega facility (OU3). The AOC has been modified multiple times to encompass additional buildings and response work; these mitigation efforts are ongoing.
- As noted above, EPA selected an interim remedy for containment of the OU2 plume in EPA's OU2 interim ROD, dated September 20, 2011.
- In September 2012, EPA sent Special Notice Letters to PRPs soliciting an offer to perform the OU2 RD/RA identified in the OU2 ROD and payment of EPA's unreimbursed response costs. EPA has been meeting with representatives from many of these PRPs, to negotiate the performance of the OU2 interim work and payment of these response costs.
- EPA continues to monitor the extent of contamination in OU2, and to investigate other potential sources of contamination.

EPA's September 2012 Special Notice Letters

In issuing the September 2012 Special Notice Letters, EPA determined that use of the special notice procedures set forth in Section 122(e) of CERCLA, 42 U.S.C. § 9622(e), could facilitate a settlement between and among the PRPs and EPA. The letters sought a "good-faith offer" from PRPs and triggered a 60-day moratorium on certain EPA response activities at the Omega Site, including issuance of a UAO under Section 106, 42 U.S.C. § 9606. The letters also

included a demand that PRPs reimburse EPA for EPA's unreimbursed costs, and encouraged PRPs to voluntarily negotiate a CD in which PRPs would agree to perform the OU2 RD/RA.

To facilitate settlement, EPA twice agreed to extend the period in which we would forego issuance of a UAO. At present, we remain optimistic that a settlement among the PRPs can be achieved, and we will continue to provide additional support to the process. Although we reserve all of our enforcement options, we do not currently intend to issue a UAO prior to January 31, 2014. We urge you to discuss the status of OU2 negotiations with other PRPs, including OPOG.

Information to Assist You

To assist you in your efforts to communicate with other Omega Site PRPs and EPA, we have enclosed on a DVD a copy of one of EPA's September 2012 Special Notice Letters regarding the OU2 response work, as well as its enclosures. Our Special Notice Letters included a list of the names and addresses of other PRPs to whom we sent such letters, including the volume of hazardous substances contributed by PRPs whose liability is based entirely or in part on their status as generators under Section 107(a)(3) of CERCLA, 42 U.S.C. § 9607(a)(3). The names of these PRPs are sorted alphabetically and also by volume.

EPA was informed that certain PRPs settled with OPOG for the settlors' liability associated with the Site; consequently, EPA did not send its Special Notice Letters to such settlors. Although these settlors did not discharge their obligation directly to EPA for costs related to the Site, EPA indicated to them that it would not send a Special Notice Letter to them if it received a timely good faith offer from OPOG on behalf of these settlors. The names of these settlors also were enclosed with our Special Notice Letters.

In addition, we enclosed the three most recent fact sheets about the Omega Site with our Special Notice Letters. Additional fact sheets and further information about the Site can be found on the following EPA webpage: http://www.epa.gov/region09/OmegaChemical.

EPA continues to recommend that all PRPs meet to select a steering committee responsible for representing the group's interests. EPA recognizes that the allocation of responsibility among PRPs may be difficult. If PRPs are unable to reach consensus among themselves, we encourage the use of the services of a neutral third party to help allocate responsibility. Third parties are available to facilitate negotiations. At the PRPs' request, EPA will provide a list of experienced third-party mediators, or help arrange for a mediator.

For your information, OPOG's contacts are:

Larry G. Gutterridge, Esq. (213) 430-2507

Gene A. Lucero, Esq. (213) 891-8332

Keith F. Millhouse, Esq. (805) 230-2280

Administrative Record

In accordance with Section 113 of CERCLA, 42 U.S.C. § 9613, EPA has established an Administrative Record containing the documents that serve as the basis for EPA's selection of the appropriate response action for the Omega Site. This Administrative Record is located at the Whittier Public Library, 7344 S. Washington Avenue, Whittier, CA, and at the U.S. EPA Superfund Records Center, 95 Hawthorne Street, 4th Floor, San Francisco, CA, (415) 536-2000. You may wish to review the Administrative Record to assist you in responding to this letter.

PRP Response and EPA Contact Person

You are encouraged to contact EPA by **January 31, 2014** to indicate your willingness to participate in negotiations concerning the Omega Site. You may respond individually or through a steering committee. If EPA does not receive a timely response, EPA will assume that you do not wish to negotiate a resolution of your liabilities in connection with the Omega Site, and that you have declined any involvement in performing the response activities.

Your response to this letter, including written proposals to perform the OU2 interim RD/RA for the Omega Site, should be sent to:

Lynda Deschambault, Remedial Project Manager U.S. Environmental Protection Agency 75 Hawthorne Street, SFD-7-1 San Francisco, CA 94105

and:

Stephen Berninger, Assistant Regional Counsel U.S. Environmental Protection Agency 75 Hawthorne Street, ORC-3 San Francisco, CA 94105

You may also send a response via email, to deschambault.lynda@epa.gov and berninger.stephen@epa.gov.

The factual and legal discussions in this letter are intended solely to provide notice and information, and such discussions are not to be construed as a final EPA position on any matter set forth herein. Due to the seriousness of the environmental and legal problems posed by the conditions at the Site, EPA urges that you give immediate attention and a prompt response to this letter.

Resources and Information for Small Businesses

As you may be aware, on January 11, 2002, President Bush signed into law the Superfund Small Business Liability Relief and Brownfields Revitalization Act. This Act contains several exemptions and defenses to CERCLA liability, which we suggest that all parties evaluate. You may obtain a copy of the law at http://www.epa.gov/brownfields/laws/index.htm and review EPA guidance regarding these exemptions at http://cfpub.epa.gov/compliance/resources/policies/cleanup/superfund/.

EPA has created a number of helpful resources for small businesses. EPA has established the National Compliance Assistance Clearinghouse as well as Compliance Assistance Centers, which offer various forms of resources to small businesses. You may inquire about these resources on the Agency's website at http://www.epa.gov. In addition, information on contacting EPA's Small Business Ombudsman is available at http://www.epa.gov/sbo. Finally, EPA developed a fact sheet about the Small Business Regulatory Enforcement Fairness Act, which is enclosed with this letter.

Primary Contact Designation Form

Please use the enclosed Primary Contact Designation Form to designate the most appropriate individual to receive all further correspondence on this matter on your behalf. We request that you mail us the completed form within thirty (30) days of your receipt of this letter.

We will continue to send future correspondence to you until we receive this form. The completed Primary Contact Designation Form should be mailed to:

Keith Olinger, Case Developer U.S. Environmental Protection Agency 75 Hawthorne Street, SFD-7-5 San Francisco, CA 94105

Information Request

This notice letter does not affect or nullify any other legal obligations you may have regarding your facility. If you are engaged in cleanup or other activities under the direction of federal, state or local authorities, you should continue such activities as appropriate. Likewise, this notice letter has no effect on any obligations which you may have in a court of law.

Although this letter does not affect these other obligations, EPA hereby requests, by its authority under CERCLA Section 104(e), 42 U.S.C. § 9604(e), that you provide a written response reporting the status of all of those activities and obligations. The response should include a copy of all agreements and/or orders between you and other parties related to your facility, and ongoing activities and obligations. Your response should be made in writing and submitted to EPA within thirty (30) days of receipt of this letter. It should be directed to Keith Olinger, EPA Case Developer, at the address provided above.

Please give these matters your immediate attention, and consider consulting an attorney. If you have any questions regarding the technical aspects of this letter, please contact Lynda Deschambault, Remedial Project Manager, at (415) 947-4183, or deschambault.lynda@epa.gov. If you have an attorney handling your legal matters, please direct his or her questions to Steve Berninger, Assistant Regional Counsel, at (415) 972-3909, or berninger.stephen@epa.gov.

My staff and I look forward to working with you during the near future.

Sincerely,

Kathleen Salyer

Assistant Director, Superfund Division

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California Site Cleanup Branch

Enclosure (provided on enclosed CD)

One EPA Special Notice Letter, dated September 28, 2012, and enclosures

cc (w/o enclosures):

Larry Gutterridge, OPOG Gene Lucero, OPOG Keith Millhouse, OPOG Deborah Gitin, DOJ Steve Berninger, EPA Lynda Deschambault, EPA Keith Olinger, EPA



December 7,2014

Dear Customer:

The following is the proof-of-delivery for tracking number **546221781790**.

Delivery Information:

Status: Delivered Delivery location: 10643 NORWALK BLVD.

SANTA FE SPRINGS, CA

90670

Signed for by: M.AYOLA Delivery date: Dec 19, 2013 12:21

Service type: FedEx Standard Overnight

Special Handling: Deliver Weekday

Direct Signature Required



Shipping Information:

Tracking number: 546221781790 **Ship date:** Dec 18, 2013

Recipient:

James Stull
Continental Heat Treating, Inc.
10643 Norwalk Blvd.

SANTA FE SPRINGS, CA 90670 US

Reference

Thank you for choosing FedEx.

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Suite 450

OAKLAND, CA 94612 US

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